

FISCAL NOTE

Requested by Legislative Council
03/22/2005

Bill/Resolution No.: SB 2413

1A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2003-2005 Biennium		2005-2007 Biennium		2007-2009 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			(\$2,910)	\$1,434	(\$2,910)	(\$1,566)
Appropriations			(\$2,910)	\$1,434	(\$2,910)	(\$1,566)

1B. **County, city, and school district fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

2003-2005 Biennium			2005-2007 Biennium			2007-2009 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

2. **Narrative:** *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

SB 2413 affects three agencies in different ways:

Fiscal impact: SB 2413 decreases the total amount of retirement contributions paid by the Department of Career and Technical Education (CTE) in the amount of \$4,476 for the 2005-07 and 2007-09 bienniums.

Fiscal impact: SB 2413 increases expenditures by the Public Employees Retirement System (PERS) in the amount of \$3,000 for the 2005-07 biennium for system programming modifications.

Actuarial impact: SB 2413 increases TFFR's funded cost because TFFR would receive less employer and member contributions in the future since there would be a smaller number of members over which to spread the cost of amortizing TFFR's unfunded actuarial accrued liability. Therefore, there is an actuarial loss of about \$81,561 to TFFR. This loss is considered immaterial by the Fund's actuary. There is no fiscal impact on TFFR.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

\$(4,476) decrease in salary expenditures for Dept of Career and Technical Education for retirement contribution reduction from TFFR to PERS. Net difference from TFFR rates to PERS rates is based on total salaries of \$1,543,512 X 0.29% = \$4,476. Of total, general funds of \$1,003,283 X 0.29% = \$2,910 general fund, and federal funds of \$540,229 X 0.29% = \$1,566 other funds.

\$3,000 increase in expenditures for PERS system programming modifications for unique contribution rate schedule for Dept of Career and Technical Education.

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

\$(4,476) decrease in appropriations for Dept. of Career and Technical Education for retirement contribution reduction from TFFR to PERS. Net difference from TFFR rates to PERS rates is based on total salaries of \$1,543,512 X 0.29% = \$4,476. Of total, general funds of \$1,003,283 X 0.29% = \$2,910 general fund, and federal funds of \$540,229 X 0.29% = \$1,566 other funds.

\$3,000 increase in appropriations to PERS for system programming modifications for unique contribution rate schedule for Dept of Career and Technical Education.

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